GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2243
ANSWERED ON:03.12.2001
FUND ALLOTTED TO FPI
BRIJBHUSHAN SHARAN SINGH

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the year-wise (financial year) details of the funds alloted to the Department of Food Processing Industries during the last three years;

(b) whether the Government have failed to encourage food Processing Industries;

(c) if so, the reasons therefor; and

(d) the steps proposed to be taken to make the department people-oriented?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (PROF. CHAMAN LAL GUPTA)

(a): Plan funds allotted to the Ministry of Food Processing Industries during the last three financial years is given as under :-

Year	(Amount Rs. in Crores)
1998-99	30.00
1999-2000	40.00
2000-2001	50.00

(b) to (d): No, Sir. The Government have taken a numberof policy initiatives to promote the growth of processed food sector in the country. Some of these are as under which clearly indicates that the role of Ministry is People-oriented.

(i) Under the plan schemes of the Ministry of Food Processing Industries,financial assistance is provided to private industries, public sector undertakings, Non-governmental Organizations, Co-operatives, Human Resource Development Organizations and Research & Development Institutions etc for the development of processed food sector.

(ii) Food Processing Industries have been included in the list of priority sector for bank lending.

(iii) Most of the processed food items have been exempted from the purview of licensing under Industries (Development & Regulation) Act, 1951.

(iv) Approval for foreign equity in automatic route is available for most of the processed food items except alcohol and beer and those reserved for small scale sector, subject to certain conditions.

(v) From the Budget Year 2001 − 2002, excise duty for processed fruits and vegetables has been brought down to zero from 16%.

(vi) The Ministry of Food Processing Industries has also initiated action for formulating a National Food Processing Policy and for this purpose a Draft Policy has been prepared which envisages, among other things, creation of enabling environment, infrastructure development, linkages at farm level etc.